

HG

538

.58

UC-NRLF



\$B 106 526

YC 97350

LIBRARY
OF THE
UNIVERSITY OF CALIFORNIA.

GIFT OF

John Doe

Class

GIFT

PRICE, 25 CENTS

PRINCIPALLY ABOUT FINANCE



Behold I have set before thee an open door,
and no man can shut it:

—*Revelation* III : 8.

"Thy princes are rebellious,
and companions of thieves."

PRINCIPALLY ABOUT FINANCE

Financers and the People They Finance

(With a Few Digressions into Kindred Subjects)

BY

ONE OF THE RANSOM-PAYERS



One of the old meanings of "feynaunce," according to the Oxford Dictionary, was "to pay ransom," but we have long lost sight of the original uses not only of words but of things also, coming to look upon certain things as indispensable to society, just as we thought, until lately, that mosquitoes, flies, fleas, and other pests should be with us always.

HG 538
.S8

MAR 17 1911
GIFT

Pres. Office
Copyright, 1911. By Henry Clifford Stuart.

Copyright in Great Britain.

All rights reserved.

PRESS OF
JUDD & DETWEILER, INC.,
WASHINGTON, D. C.

THE WRITER'S APOLOGY.

I approach the subjects of national finance and of banking in the United States, not as a professor of economics but as an earnest seeker after light, well aware how unqualified I am for the task.

I would have liked to devote much more time to investigation, but as certain interests have already begun to agitate for changes in our system, and as I believe I can perceive their reasons for so doing, I feel impelled to give my immature ideas at once for what they may be worth.

I realize that my verbiage might be pruned to great advantage and the article coordinated so as to effect a more harmonious continuity of ideas, but I again plead lack of time and give them just as they came to me, with all the digressions.

Years of study would not do the subject justice, and I have not studied it at all, such authorities as I have so far glanced at all dealing with the matter from the orthodox and ancient point of view.*

And I apologize in advance for any intemperance of language, on the ground of not being fitted temperamentally to view injustice with equanimity.

HENRY CLIFFORD STUART.

WASHINGTON, D. C., *February, 1911.*

*I have the very voluminous Reports of the National Monetary Commission before me, which I hope to find time to read and which I may try to digest for future comment, though there is no doubt, in my mind, that very hard and continued digging will be necessary to arrive at the material requisite for the presentation of a simple balance-sheet such as may be understood by common man.

“For I mean not that other men be eased, and ye burdened:

But by an equality, that now at this time your abundance may be a supply for their want, that their abundance also may be a supply for your want; that there may be equality:

As it is written, He that had gathered much had nothing over; and he that had gathered little had no lack.”

—II Corinthians, viii, 13/15.

TO MY WIFE

Who loves righteousness and hates
inequity as much as I do, but whose spirit,
alas, for me, is far gentler than my own.

Speech is of man—imperfect.



In the beginning
God created
The heaven and the earth.*

We know what happens when any cell of our bodies disregards the rights of other cells and proceeds to develop along independent lines — It's prompt elimination by the knife does not always avail to save us from dissolution.

Nor can the human mind conceive anything but destruction as the dire result of any member of the solar system, or of this system itself, for that matter, happening to depart from it's prescribed course.

God has not chosen to act independently but has made all things interdependent, which is but another way of saying that all things are one.

Nature is centrally governed everywhere, her multitudinous centers being themselves centrally governed still.

We can contemplate a center with hope, but the thought, or lack of thought, of an infinite leads nowhere but to despair.

When those angels who thought to be independent were cast into the outer darkness as yet unilluminated by God, it must have been done by what we

* And he has not parted with the title since.

think of as centrifugal force, which may be but the withdrawal of real force — by the withdrawal of the centripetal force, through the cohesive and conserving results of which alone, multicellular and communitative existence is possible.

The centrifugal force, or withdrawal of force, is destructive —

— But Force or power itself is eternal, and as such is to be revered. It is only the many errors in it's application by developing man that is to be deplored.

But although it is natural for man to rebel at the misapplication of power by his fellows to their own selfish ends, he should carefully observe that it is not the centralization, which is the only way that power can be applied at all, but the misapplication itself which is at fault and worked against him.

It is to be regretted that the founders of this republic failed to make this distinction. They had been so cursed by the ignorantly selfish misapplication of power in other lands, that they sought to harness or destroy power itself by reversing the order of creation and establishing a number of independent states held together by a so-called central government itself without a center — Responsibility had no resting-place anywhere.

So queer has been our attitude of mind on the question of our nationality, that the government of the

nation has no single power that it has not had to fight for and which has not been unwillingly granted.

The states all still claim sovereignty.

It is but a short while since we beheld the federal health officials in conflict with the health officials of a state as to whether or no plagues should be allowed to enter our ports. This fight was on for years and it is only lately that this federal right has been generally recognized.

Some day we will rewrite the constitution and rewrite it short — but so broad, that no other Hamilton or Marshall will be required to corkscrew out its supposedly implied significances.

It will not require over five words, and these might be; — We are the American Nation.

Then the different legislatures of our many states will no longer go their own sweet way, grinding out bad laws or abolishing good ones, all “for a consideration”, with utter disregard for the statutes of their neighbors.

As things are at present a man may be married in the south against his consent, and in the north without knowingly giving his consent; may remain married in one state while divorced in another; be crazy in New York and sane in Virginia; injuncted by a Judge in one county and disjuncted by his colleague in the next.

If he's got money enough to fetch the right lawyer, he can incorporate and reach the middle ground where no law applies; And if he happen to be really rich he can even commit murder with perfect impunity.

New Orleans can kill the Italians and 'Frisco run the Japs into the Bay, on which occasions it is usual for the President himself to inform his great and good friends, the King of Italy and the Emperor of Japan, by means of a private autograph, that deeply as he regrets the occurrences, there is no remedy therefor, Louisiana and California being SOVEREIGN STATES, and that where the American government dare not put it's foot, it would be indelicate of them to think of so doing.

Of course the King of Italy and the Emperor of Japan, not really minding the loss of a few subjects more or less, wish to be gracious and allow the matter to blow over, still, not being Americans themselves, they find the situation beyond their mental grasp.

However, if they are strictly up-to-date, and have profited by past experience to add an American Legal-light (furnished by or schooled in the State Department) to their establishment, as a majordomo or counselor, he will inform them that we have to employ our nine wisest men, who do not always give an unanimous opinion, to tell Congress what the Constitution really means, and that however we may fight about the matter among ourselves, we have always declined to discuss it with outsiders.

And if the Emperor happen to have sent the King a copy of Togo's "Quotations from American Statesmen" (private circulation only), he will find that Togo, having evidently been overcome by the mass of conflicting material on this subject, dropped it with just one quote; — "Oh lowest heaven, what's the Constitution among friends?!"

It will take many a long year yet to get States-Rights foolishness entirely out of our system of maladministration and confined to it's proper sphere;

For despite the recent attempt to use the word "American" on the shields before our Diplomatic and Consular Offices, we are still the people of the Far-from-United States.

The result of this political abortion is that malignant growths have appeared so rapidly that the cancerous condition of the body-politic is today apparent to all;

But it is fortunate that the people now see the danger and, recognizing the utter inefficacy of the nostrums with which the doctors of "the law" continue to flood them, have themselves begun to apply the knife to the very form of government itself;

For, being a young people, we will undoubtedly survive and wax strong again.

But it is not my purpose to speak of government as a whole, but merely of the tap-root which supports the tree — Finance;

And American finance begins with Alexander Hamilton!

Hamilton's enemies said that he had no hand in the framing of the Constitution, — which seems to be the only kindly thing they ever said of him;

But they were compelled to admit that he alone was responsible for the financial arrangements without which our government, such as it was, could not have endured.

Now, the real achievement of Hamilton, to my mind, was not his great feat in establishing a financial system which is followed in it's essentials by our government to this day; not in his having created a public credit to fill the void then existing; not in his having augmented the circulating medium and supplied the financial machinery requisite to revive business; not in his having laid down the lines on which this country has since been developed; —

But in his having given vitality to the dry clauses of a paper constitution and succeeding, where others had failed, in giving strength to the central government and thus allowing *A Nation* to come into existence—in his having been the first to realize the help-less insignificance of a state.

But if this remarkable man was *An American* at a time when all others were states-righters, if it mattered not to him whether the Capitol were north or south, east or west, how much more striking still was

his attitude compared with that of the "States-man" of today, who always represents private interest, sometimes represents local interest (when not conflicting with private special privilege), but who seldom gives a thought to the interests of *America* at large!

It is idle to speak about the "consent of the governed" — the constitution itself provides that the majority shall govern the minority, with or without their consent—and for many years now we have presented the curious spectacle of an oligarchy governing a free majority against its will.

Some of us are now approaching a fitness for self-government, but in Hamilton's time we were no more so fit than are many so-called Republics in Spanish-America today. We will have an ideal government when the large majority are fit, and not before — man's very nature makes it otherwise impossible.

But it is a sad commentary on our people that the more progressive Spanish-American states, all of whom followed our lead in their form of government, should have been the first to find it unfit and to modify it to the needs of the people.* As we are not all fools, we must be long-suffering.

A man of Hamilton's transcendent genius must have been as fully alive to the natural rights of man as was his great opponent Jefferson, but he, thinking where the other dreamed, perceived that general government must first be established and order secured before the people could even hope to progress.

*The admirable article on the "Causes of Political Corruption," by Prof. Henry Jones Ford, in "Scribner's" Magazine, January, 1911.

Generations of serfdom had set the minds of men in narrow molds, many of which are still unbroken. Liberty they had just achieved; Equality (before the law) was their's for a while; but Brotherhood!—"Brotherhood" is but another name for civilization itself, and the sacrifice of the body of Christ has not as yet sufficed for man to attain thereunto.

Such were the conditions when it became necessary for Hamilton to finance our government.

The mass could not perceive then, any more than they can now, that man does not live by Gold alone but by the sweat of his brow; they could not realize that *they* could dispense with the silver and gold held by the Class, whereas this long uninured minority *could not* dispense with their labor, but positively counted upon them not only to sweatily wrench from the soil the products indispensable to the continued existence of both, but to produce a surplus which would enable *them* to swell *their* capital.

So Hamilton supported the government and set the wheels of progress in motion by using the only means then possible — that of appealing to the selfish interests of a Class — the Bank was a mere expedient.

Those who have had an opportunity to get glimpses of history in the making know how often the powers-that-be are themselves unaware of the hidden motives of those who lead them to act as they do ;

Thus even when we are fortunate enough to get accounts of events as they really happened, we are not always sure why they happened ;

But Hamilton seems to have been open and direct both in thought and act — Jefferson indirect.

Now, when a positive character and a dreamy, vacillating nature come together, one is never in doubt as to the outcome — Perhaps Jefferson's greatest claim to distinction is having given Hamilton the aid without which he would not have been able to put his financial measures through, though he has robbed himself of the credit through his posthumous disclaimers.

It was fortunate that Hamilton was able to catch Jefferson at the psychological moment, for the views of the latter on contracts were as illogical as Madison's, and his ideas on finance hazier still.

But the consequences of his act were too much for Jefferson — He could not bear to see the people being robbed by the crafty — the Bank was such a "good thing" that it grieved him that the whole people were not "in on it."

Despite certain smaller and despicable sides to Jefferson's character, he was a great man — our first Democrat — but he forgot what Paul tells us of expediency, and could not realize that his ideas were in advance of the times.

He seems to have been positively shocked when Hamilton told him that man could be governed only

by force or interest, and yet man had ever been so governed and is so governed still.

As a philosopher Jefferson was great, but in the government of the time he was sadly misplaced.

The Democrats today point with pride to Lincoln as one of them. It is true that he was a lover of the people — what just man is not? — But Lincoln was more than a democrat — he was a great executive, which no man can be who is afraid of power.

Imagine Jefferson in Lincoln's shoes — but the diametrically opposite results we would have had are too distressing to contemplate.

For many years Hamilton's Bank of the United States prospered — for many years it's private stockholders of the Class waxed fat at the expense of the Mass, but it's expediency was recognized even by such eminent later statesmen as Clay, Webster and Calhoun, though they viewed the close connection of the government with a privileged moneyed corporation of such enormous means with lively distrust and grave apprehension.

The people's minds were not then ripe for anything else. The question is? — Are the people's minds ready for anything else today, now that the Class is preparing to spring another "United States Bank" on them (privately owned as before)?

It is not my purpose to follow the history of Banking here or elsewhere. Andrew Jackson's fight on

the Bank and the disastrous record of the State Banks is remembered by men alive today.

Now that another "Central Bank" is proposed for us, we should consider things as they are!

The evolution of a utilitarian and equitable Means for Exchange can progress no faster than the Mass itself evolves, and as knowledge has progressed to a point demanding specialization in some one branch thereof, we cannot expect the advanced intellects and the advanced spiritual natures to be often found in the same persons!

But even were this not so, the tendency of our democratic republic, save in great crises when general attention chooses the best men to avert disaster, is to entrust the governmental powers either to fools or knaves, and never has this been more so than during the great constructive period following our civil war.

And the Class which toils or spins not but which lives on the labor of others, knows this, and knowing that the only way it can continue to so live is by "legalizing" injustice, deliberately undertakes to and *has* controlled the government by buying elections and having "laws" made to suit it's own ends.

But of all the special-privileges with which "law" has afflicted this country, the private monopoly of the Means for Exchange is by all odds the heaviest

tax of them all, — and the most despicable, because it is not an open highway-robbery like the Tariff, but the hidden onslaught of an organized and wealthy gang of pickpockets on the purses of the public, such as would put any member of the lesser-pickpockets trust to shame on account of the utter lack of danger in the game.

Notwithstanding “Black Friday” and the many “Panics” before and since, our people, thanks to the subsidized press, have not been able to make out where the trouble lies.

The people have not as yet perceived the great difference between the intrinsic worth of money (what it costs to produce it), it’s uses when allowed to circulate freely as a means for exchange, and the criminal way it may be cornered by financial highwaymen to rob them of the product of their labor.

Our Government has not yet recognized the right of it’s people to a means for exchange, and has always disclaimed it’s duty to provide such, on the ground that “Banking is a Trade.”

Now, “Banking,” as it prefers to call itself, — presumably on account of the odium in which money-lending has always been held — *is* “a Trade” — the most contemptible of all — a trading upon the necessities of *all*, and the government may come to find that *it* *has* duties in connection herewith of the very highest order — For be it remembered that the money-lender deals not with paupers.

How striking in contrast was the action of the British Government in riding the last panics in England by authorizing the Bank of England to print and issue notes as fast as called for and until the demand ceased — which was very soon, for people do not want their money when they are satisfied they can get it on demand — all they wish to be assured of is a means for exchange.

This was the first and I believe the *only* instance of a government providing it's people with a means for exchange — for the Bank did not print those notes for the use of the government, but with the consent if not by the advice of the government, and for issue only in payment of deposits and in loans on good security.

Which was quite a different matter from the issue of fiat notes by our States at the time of the revolution, and by our federal government during the civil war, which were for their own uses entirely, the first remaining repudiated to this day.

Although work and service to one's fellows alone bring happiness, there seems to be a desire on the part of a large class to lead an idle, selfish, rapid, worthless life, which can only be done through the acquisition of great wealth.

Now, though thrifty, far-seeing folk, sufficiently intelligent to profit by example, and perhaps favored

by hardship in early youth, may store up sufficient of the necessities of life to provide for their needs when no longer able to labor; and though such people frequently pass part of their competency on to their descendants, so that in the course of time there has arisen a worthy class in sufficiently easy circumstances to be able to divert part of their time from labor to self-improvement, it is absolutely certain that no great fortune has ever been acquired in any other way than by gross injustice to others, for whatever the conditions and however supremely gifted the individual, nature did not fit him, mentally or physically, to do the work of a thousand, one hundred thousand or a million or more of his fellows — It is the “Law” which has so far permitted him to rob them of the profits of *their* labor, either directly or through the monopoly of the natural resources for all.

It used to be more dangerous than heresy to protest against the “Law”, but our minds are beginning to break their fetters and we are actually daring to demand that the unjust “Law” be unmade, recognizing that “Law” and JUSTICE have so far had little to do, the one with the other.

This disrespect for the “Law” is growing, as it must for everything that miscarries. “Laws” are multiplying so fast that they are not enforced even when remembered.

Now this is a very serious condition of mind for a naturally law-abiding people to get into—so serious

that prompt measures are necessary to remove the cause of the distrust before we pass from disrespect to open disregard — before we break all fetters of what Herbert Spencer rightly calls “the great superstition of law.”

Our Legislative Halls are filled with Lawyers, the very Class whose interest it is to multiply rather than to reduce and codify the “Law.”

And with it all we have come to acquire a new standard of Honor by which a “Gentleman” in Office may cease for the time being to be an honest man, commit all manner of ex legal crimes, and step out again with his decayed personal honor so covered by the prestige of having gotten what he was sent after, that he will still be unhesitatingly received in our “most respectable circles.”

But should he dare to follow the dictates of his own conscience, instead of acting “like a gentleman”, the President himself will inform him that our’s is a “government by party” and that unless he “stands pat” and votes with “the other gentlemen”, he will be “read-out” of the same — for how are those who have bought the administration to be repaid if not granted the special privilege of robbing their fellow citizens?

Ostracism is needed very badly in this country, and the demand will sooner or later create the supply — but it may be of a different brand than the President had in mind.

This so-called "First-Class-Power" is afflicted with a government which would put the most benighted to the blush. It has long ceased to be a government *for* the people and has so fallen as to become the reward of fortune-hunting politicians and the resting-place of an occasional moneyed-ass.

But no one can long retard progress. The minds of the people are not as they were, so the government cannot remain where rogues degenerate seek to keep it — Progress is "in the air."

Now there is one cess which those necessary and most sanitary beings, the "Muck-Rakers", have not sufficiently exposed to light and air, possibly because the Monetary Commission inaugurated by that eminent statesman, the late Senator Aldrich, has publicly taken the matter in hand.

But as the chunks of wisdom emanating from the minds of the august thinkers of the upper house have been frequently too heavy for the public's stomach, it would be well before placing ourselves entirely in their hands, as has been our unfortunate custom, to consider the matter somewhat for ourselves.

The Question of the Currency and Banking — It has afflicted us for an hundred years and more — and the greatest reason for alarm is that the "Upper House" should now begin to agitate the matter. When have they ever had the people's interests at heart — they were created for no such purpose.

We all know something's the matter — What is it?

Disinterested people have never been able to bring the matter up for public discussion without the real issue being immediately and intentionally confused and obscured by the subsidized press.

Before considering the question, let us see what our present "currency" consists of;—

Without referring at all to the origins of "money", which have been fully set forth by many writers, or examining the original provisions of and amendments to our own constitution providing therefor, let us try to tabulate our money and currency as they exist today.

First — Our "standard", Gold, which when coined, forms our only *real* "dollars" — the *sole* legal tender* — coined in five, ten and twenty-dollar pieces, smaller pieces having fallen into disfavor and ceased

* The description the government gives of our money is confusing;—

It calls the silver dollars "standard", whereas gold is now our sole standard; Silver dollars are legal tender and they are not legal tender; Greenbacks, now called by the more dignified name of United States notes, are legal tender but they have a string tied to them;—And the other currency is very much mixed indeed;—

Still no one can blame the poor government for keeping up a tree, for there is a very fierce dog at the bottom.

But if anyone really wishes to know what is what it is not, I refer him to page 24 of Circular No. 52 of the United States Treasury Department, July/1''/10.

For the purposes of this little leaflet however, we will refer to gold as the *sole* legal tender, reminding all hair splitters that all they can say to the contrary will affect the argument only in degree, and in very small degree at that.

to be coined long since. Demand for those named falling-off rapidly;

Second — Silver “dollars”, which are heavily debased tokens, now seldom seen save on the vanishing frontier where the habits of the people have not as yet fully accustomed them to the use of paper ;

Third — Copper coins — debased, Nickel coins — debased and Small silver coins — debased, all mere tokens used as “dollar-splits”, convenience-coins or “change;”

Fourth — Semi-civilized currency, as follows ; —

“Greenbacks”, or government fiat-notes;

Gold-Notes, or government warehouse-receipts for gold;

Silver-Notes, or government warehouse-receipts for a metal which can still be sold for a trifle over half the face-value of the receipt;

“National” Bank-Notes, or subsidiary-notes which private banks are permitted to traffic with upon hypothecating with the government the government’s own bonds as “security” for their issue. These notes are also purely fiat notes of not so good (misleading) a grade as the “greenbacks”, for there is nothing more behind them than there is behind the greenbacks, the government having spent and *not* holding in it’s vaults, the gold borrowed upon the bonds.

Railroad-notes, lately authorized to the extent of five hundred millions, for a starter, and supposed to

be used when the private banks have a greater demand for money at interest than they can supply, when they will be issued to them by our government upon putting up railroad bonds as "collateral". This is "asset-currency", pure and simple, to which one only of the main objections, is the special privilege conferred;

Clearing-House-Certificates — a very modern but highly artificial way of patching cracks in our currency "system" when strained to the breaking-point. They "increase the currency;"

Checks, or private orders for currency* — more important than all the others put together, for without this device the rottenness of the system would be apparent and all business would come to a stand-still;

Check-Kiting — the promise of small financiers to liquidate and provide the funds ordered before the orders reach their destination. The big financiers discourage this practice as much as possible, but it cannot be denied that it "increases the volume of the currency", which is the end all have in view;

Drafts — an old means for exchange, no longer in such general use here as in Europe;

Overdrafts — or orders on banks for other people's money — a rather careless way into which the banks have fallen of lending our money to favorites;

Loans — must, in my opinion, be included under this head, for they are not advances to irresponsible

* Unknown before the year 1781.

parties but a partial and temporary "liquidation" by the borrower, of Wealth previously accumulated by him. (With "unsecured" loans the bank assumes that the borrower is "good" and takes the responsibility.) They "increase the circulation" just as checks increase it, and although there is no "*money*" behind them (the labor having been turned into "*money*" and this in turn into "*wealth*"), the possessor of "accumulated wealth" is, to my mind, entitled to the prior right — if there be choice of right — to the use of the Means for Exchange;

Term-Deposits—should be included here, as they are nothing but loans to the banks at lower rates than these lend at — They materially "assist circulation".

Certified-Checks, Certificates of Deposit, and Certificates of Special-Deposits-in-Kind — do not "increase the currency" but decidedly restrict it, and are therefore mentioned only to be excluded.

Having done our best to tabulate our "currency", let us consider whether it be still expedient to permit a Class-System, using such robbing make-shifts, to endure?

This is the age of collective effort — Semi-Civilized man no longer lives of or for himself alone.

But as yet we have done nothing collectively towards providing ourselves with an equitable means for the exchange of such individual proportion of our collective product as we have as yet been able to secure unto ourselves.

We established our government intending to promote the welfare of all, and we permit it to pledge the general welfare by occasionally borrowing money for *all* on bonds. But the government which we established does not permit us to supply the money directly ourselves, as is done elsewhere when same is required for general need, for the Special Interests which have monopolized the money "Trade" insist that these bonds be executed in large denominations only and issued in such large allotments as to be inaccessible to the people direct and SOLD only through themselves.

And the really amusing part of it is that they don't put up a dollar themselves to buy them with but "effect the purchase" (and they certainly have a very strong purchase) with the money which we, having nowhere's else to put it, have been compelled to deposit with them, after which they allow us to take the bonds off their hands at an increased price.

Such is one of the many special privileges of the banking "trade", though this particular one is usually limited to the "Big Ones" (those who have fattened faster than their fellows) who name the Secretary of the Public Treasury.

But issuing bonds is *not* providing a means for exchange.

Where does our "currency" come from, and who provides it?

The "Guinea's stamp" adds nothing to the value of the gold it contains — this passed in exchange generations before the coin was thought of; —

The government in stamping the gold taken to it, does not provide a means for exchange;

The government in issuing a warehouse-receipt, in the form of a treasury-note, for the gold left with it, has not provided a means for exchange;

The government has provided — nothing;

The individual himself has, at great labor provided something which hitherto his fellows have been willing to accept in exchange for food and other things which they have provided by *their* labor.

But as gold is not only cumbrous but dangerous to carry round, lest he be robbed directly by the smaller, manlier thieves, he takes it to his government and asks a receipt for it.

Is man not yet civilized enough to provide some means of exchange more easily and safely handled and less wasteful of human labor?

Individually we have so far failed, and individually we always must fail, for this is not an individual question but one where common understanding must precede common consent — and not alone consent but a positive fight against privilege long entrenched and which *knows* just what to expect—but the common understanding must be thorough or the fight will be of no avail.

Even in France, the country which seems always able to supply others with gold when wanted, the small manufacturer gets along well enough in lean years, but in the prosperous years he is compelled to go to the small money-lenders or to the government pawnshop to get "capital" wherewith to execute his increased orders; —

And the greater the "prosperity" — the greater the number of orders — the better for the money-lenders and the pawnbroker.

Is there anything the matter with their currency system? A plentitude of gold in the country seems of no avail, for the non-producer holds-up the producer and takes his "rake-off" just the same!

If Gold be the SOLE "Legal" tender, then we are all doing business ILLEGALLY — for we are *not* doing it with gold but on CREDIT, which is a very dangerous thing to all but the money-lending class, for in our country none but the rich may hope to escape the consequences of the "law."

Our Treasury reports as "money in circulation" all but that in it's own vaults — Nothing could be more misleading.

The Banks speak of "money in circulation" when they have put all but the "legal" reserve (and by circumventing the "law", they use this also) out at interest — when they have put the money of all of us to a good use for a purely selfish end.

The larger banks however, notably those in New York City, prefer to lend the money for gambling purposes, having had a special counter "law" nullifying the usury "law", passed for the purpose, which permits them to let the money out — not at usurious but at much more exorbitant rates of interest, such as gamblers and thieves only can pay, and money is thus withdrawn from it's legitimate channels, to the great distress of business, not only in New York City but in every town in the State and indeed throughout the whole country.

They speak in New York of "the tightness" caused by having to send money West "to handle the crops". When the crops are paid for why does not the money remain where it belongs? Who sends it to New York again — it's owners — or the local banks where they have been foolish enough to place it?

It is thus that the users of money for legitimate purposes suffer, and the limited powers of our privately controlled and very poor "medium" are stretched to the utmost.

Now, let any demand be made which cannot be met, such as any number of the temporary owners of the money happening to demand it from the banks at the same time — let confidence (and it is truly a "confidence game") suffer any sudden chill, and the money really in circulation (such part as the people are fortunate enough to have in their own pockets) suddenly "hides itself" (Anglice—is not again entrusted

to the banks) and demand is made on all banks for the balance of the money, which ought to be but *is not* there.

Our currency "system" being absolutely rigid (the banks having prohibited the government from interfering with their "trade" by furnishing a means for exchange), the demand can *not* be met and "Panic" and DISASTER ensue.

The banks which have been backing the stock and produce exchanges and other gambling houses ruin the gamblers by selling the "readily-convertible" "collateral securities" which on account of the very dangerous nature of the trade they have demanded, for whatever price they will bring, which serves only to heighten the fears of those who see "gilt-edged" "securities" being sacrificed.

What happens to the legitimate users of money at these times — to the man who has liquidated or who needs to liquidate temporarily, part of his accumulated wealth?

His "credit" is as good as ever, perhaps better than ever — he is entitled to a means for exchange. Does he get it? Not a bit of it. This government protects none who have made the unfortunate mistake of putting labor into permanent form. He is "squeezed" to "the limit", and is lucky indeed if he be not sacrificed outright with the gamblers.

It is the *DUTY* of our government, no matter what unfaithful representatives may say to the contrary, to protect "Accumulated Wealth", which is nothing but the product of labor in it's most enduring form, and any class which for purely selfish ends, defeats justice by withholding the government from the performance of its duty, becomes entirely responsible for the consequences and will surely answer in time to the people therefor.

There are other forms of wealth than gold, which is but one of our minor products, and a not indispensable one at that, and the people are even now seeking a way to prevent it's continued concentration into the hands of a few.

The changes in man's body and animal nature are slow and hard to be perceived, but we can easily see, any time we stop to look, that he has developed more in his understanding in the last generation alone than in all previous ones put together, and that he is progressing today faster than ever.

It is not necessary to look back upon even medieval times to realize this; —

I myself have been caught abroad in a Spanish American Capital as the host was carried by — Mary in the latest dress from Paris and Joseph in a fine top-hat — and have gone down on my knees with the

rest of them, in the rock-paved streets, to avoid being stoned to death.

I have witnessed scenes on Feast Days that would fit any feast described in the dictionaries of the bible.

It is no effort for me to recall the time when woman waited on her master at table, taking her own meal in snatches or afterwards with the children and servants;

When shoes could be worn without disgrace only by those who were known to have the money to pay for the luxury;

When "coal-oil" lamps had not come in, and people went to bed with the sun; when the streets were unlighted save for the lantern of the watchman on the corner who sleepily called-out the hours of the night;

When if urgency caused one to be so discourteous as to call upon anyone before retiring one's-self, one would, after a vigorous and lengthy use of the huge iron knocker on the heavily-barred and only entrance door, have the grated wicket thereof opened, and if one's errand were thought of import one might be received within by the gentleman of the house, in shirt and cap and tallow-dip in hand.

It is not necessary to refer to the "savages" whom we have not yet exterminated — Many people were primitive until most recently, and the most nu-

merous race on earth is quite primitive still — And the customs of these peoples were and are yet, in many respects, just as they were in the time of Christ.

I remember cattle being paid for by the dropping of gold coins into a hat as they were driven by.

In my time the Dons would give sixteen-dollar gold onzas for fourteen dollars in small silver so that they might pay the laborers in their fields, whose daily wage at the time was a silver real, worth 12½ cents in their money, and that of their wives and children far less.

Coin was buried in the ground there then, when not out at interest, and it was far safer there than it has sometimes been since in the banks, for “the government” had a way when he discovered that a man had laid aside too much above taxes and living — (and he easily finds out how bank-accounts stand) — of “borrowing it” from him.

But the laborer did not work every day in the week or so long then as now. Though compelled, not by nature but by man, to work for others, he was allowed to work also for himself, and given ample time for play. He had not then been compelled to work *all* the time for the *sole* benefit of others.

His wages have been raised, time and time again, until now he gets a nominal wage which would have supported a country gentleman then — but he gets no

more if as much to eat, no more nor as good clothing, and has been robbed of the greater part of his time.

He has been deceived, just as the "intelligent" American laborer, be he hod-carrier, factory or railroad employee or sweat-shop slave, has been deceived — For what matters it what wage they give if they raise the price of living faster still?

It is the constantly increasing cost of living that the people should investigate — the reasons why, that labor as they will, some of them find it so hard to keep body and soul together.

We are all aware that the entire wealth of the country is being concentrated into the hands of a few — Is it not high time that we investigated and tried to stop the many different ways in which it is done?

The Japanese paid fabulous prices for rabbits, pigs and other animals when our vessels first began to reach their ports, but it is to be hoped that the buyers bred them and "realized" somewhat before the foreign supply exceeded the home demand.

Sycee silver and Mexican dollars, both stamped and restamped with the chop of the different mercantile houses through whose hands they go, until only Chinese contadores can knowingly handle them, still pass in exchange in the interior of China, where gold would be quite useless.

I have seen a Tartar on the Isthmus of Panama give more of his wares for the imposing Jamaica

penny than he would for an American silver quarter dollar, and try as I would, I could not enlighten him before he lost his entire stock in trade.

And yet, had that unsophisticated Tartar been possessed of the means to return to his home, where others of his kind might have in turn received those pennies from him in exchange for as much or more than he gave for them, there would have been nothing pitiable in the transactions.

Ignorance is a mighty factor in exchange — just as weighty as knowledge.

Without ignorance on our part, and the tacit connivance of our government, false and adulterated foods, drinks and drugs could not be sold to us here at home in such a perfectly “legal” manner.

Our wholesome food and drink we send abroad to lands where government will not permit the people to be swindled, but that we import in exchange is marked “for export”, meaning that much of it is not fit nor permitted to be sold for consumption where manufactured;

So let us not despise the Tartar.

In slavery days we were at least honest in robbing the black openly of the product of his labor — but progressing greatly in intelligent trickery since those times, and with the highly-paid aid of those who study the “law” for the purpose of circumventing or defeating it, we no longer steal openly but in the dark,

finding that in this way we can rob black and white alike with impunity — And the industrial slavery of today is perhaps even more severe than the human slavery of our last generation.

Now let me close this digression by stating that; —

Mother sits now at the table,
 Everybody's wearing shoes;
 Father flies about in autos,
 And they've changed their Constitue.

Japs no longer buy our rabbits,
 China's Sycee's got to go;
 No Persian owns the Telegraph,
 Or the Posts in Jericho.

We look down upon these others,
 Burying deep our heads in sand;
 But *we're* mentally the rear-guard,
 While our Brothers lead the Band.

I am not a writer, still less a man of parts, so I will not apologize for the doggerel by which I attempt to illustrate change by focusing it's contrasts. — Man is developing very rapidly — it has begun to be noticeable, even among ourselves.

But, to get back to Finance; —

The old Mexican dollars contained more silver than our own dollar, and used to be worth in China and

Japan, if I remember arightly, from 5% to 12% more than even our gold dollars, which last were 6% under the Mexican silver dollars even in California, so that in our early trade with the East, the bills of lading of American bottoms called for Mexican instead of American currency.

The East found silver more useful than gold as a medium for exchange, and indeed there are many places in the interior of China today where the "common people" use nothing but copper.

We sought to overcome the disadvantage by creating and coining a silver "Trade-Dollar" for special use in the trade with the East, and we put as much silver in it as was contained in the Mexican dollar and more than was contained in the dollar which we continued to use at home; —

But it did not "go" — the Japanese and Chinese had become accustomed to considering the "Mexs" a superior dollar, so our "Trade-Dollar" had to be called in and reduced again to bullion.

Our delay in establishing the parity had cost us the Eastern market for the surplus product of our silver mines in coined form, and as just about this time the Powers, who were not interested as much as we were in silver mines, began to follow England's prior lead in demonetizing that metal, we were confronted with the necessity of consuming too great a part ourselves; —

Thus the cumbrousness of silver as a means for exchange for an advancing people became too apparent, and we felt compelled to follow suit and demonetize it ourselves — It reverted to it's primeval uses in so far as we were concerned.

The selfishness of the banking-class, who perceived that they could not easily corner it, was doubtlessly the immediate cause of it's demonetization, but it was bound to be demonetized by us sooner or later, as it must be, in time, even by the "Silver Countries."

Now, when silver was demonetized, we were given nothing in it's place, making greater room for gold, the production of which has increased by leaps and bounds in the very states where silver-mining was formerly the main industry.

But there is not likely to be too much gold until it's cost of production still further decreases, for the majority of us are informed, and believe, that "more gold has gone into the ground than has ever come out."

The as yet not clearly visible fact is that the production of gold involves a quite unnecessary loss of labor, but of this more anon.

People are beginning to be told that "there is too much gold" and that it is constantly "shrinking" (as if a "Standard" could ever shrink) in value, owing to "over-production", and that it's "purchasing-power" is "not what it was."

How do those who advance this fallacious argument explain the panics which occur periodically owing to the "shortage of money", which "shortage" may be artificially occasioned at any time and in more than one way?

Three men caused a terrible shortage in the last generation — One man can do so today whenever he will.

Does "over-production" make shortage? Or is it that they fear that production may overtake shortage?

If the Class which so argues would come out frankly and tell us that they propose to demonetize gold, as they did silver, the people would begin to see the light which no thinking man can doubt has already been quite clearly perceived by the Class — It would be an immense step forward.

But "Big Business" never takes a step until it has first quietly paved the way — And this they have already started to do; —

They are even now preparing to pass through Congress an Act for another United States Bank, though they modestly call it in their propaganda, a "Central Bank", which they propose to control privately, and which will place all the financial power of the government behind them, and secure to *them* the special privilege of alone handling the assets on which the future currency of this nation has already begun to be based.

This special privilege once secured, *they* will, after a safe interval, be the first to assure the people of the benefits to be secured by the DEMONETIZATION OF GOLD.

For we are today going back to the ancient custom of employing gold as gold in exchange, but in the form of bars of bullion instead of coin or dust, and we are destined to degrade it further still, just as we did silver, to it's primeval and only apparent real use, in the Arts.

The sooner gold is demonetized the better for the people, but it is to be hoped that this may be accomplished without parting with our birth-right.

A few more words on gold;—

Gold, not long since, was made the SOLE “Standard” by which all worths or values should be measured.

Now, in the Bureau of Standards here at Washington there is a “Yard-Stick”, which was painstakingly made and which is most carefully guarded both from man and Nature.

It is a duplicate made from the original “Standard” erected by the English (in 1120, after the length of the arm of Henry 1),* who, losing their's by fire, made in turn a replica of our's.

They made no replica from any of the numberless copies of their own original, for none had been con-

* Francis E. Leupp, in Scribner's Magazine, Oct /10.

structed with sufficient pains, or sufficiently guarded, to be thought worthy.

This Yard-Stick—this “standard” measure of extension of our’s is protected against climatic influences, so far as man is capable, in the endeavor to approach *FIXITY* — and all other yard-sticks must correspond thereto to be “legally” correct.

Now though the Class frequently “fixes” the “purchasing-power” of gold, it does not do so in exactly the sense we have in mind, and in fact it is not upon our sense but upon our lack of sense that they count whenever they prepare to “fix” us.

As a matter of fact, the purchasing or exchange power of gold never has been stable and never can be — It fluctuates constantly and there is nothing *fixed* about it, hence it is *not* “Standard” — no, not even in it’s fineness.

If this were not so, gold would not be bought and sold as a commodity, as it frequently is, for the idea of speculating for a rise or fall in price of anything, the value of which is *fixed*, is ridiculous.

It is impossible to *fix* a “standard” *measure* of value, as the exchange worth of all things is regulated entirely by the supply thereof and the demand therefor, which in turn depend absolutely upon that tremendous but *non-measurable* entity — Mind.

Men, through special privilege and monopoly, have interfered with the freedom of supply, and

through misrepresentative advertisement often create an artificial and sometimes harmful demand, but these are matters for penal legislation and need not be discussed here.

Now the mind is just as gregarious in its habits as its more visible earthly animal complement; —

Minds herd together in groups, each with its own thought-receiver — And occasionally some great, lone, original thinker will appear and force the groups into larger herds; —

And then again some fool, who does not think at all, will stampede the whole herd to its partial destruction, despite the bellowing of all leaders.

This is the reason we have had crazes about Tulips, Mississippi Bubbles, and South Sea Bubbles, and are still chasing after the gaudy-hued soap bubbles which they continue to blow for us on Wall Street.

This is the reason farmers all plant the same crops at the same time, and apples are so high-priced today — simply because we follow the other fellow's lead instead of thinking for ourselves.

We send people to Congress to relieve us of the trouble of thinking, and Congress has given us a fifty-year object-lesson of the folly of this habit, which we are now awakening to and which it is to be hoped may be so impressed upon the minds of the unborn genera-

tion (beings once born seldom profit by example) that they may avoid the pitfalls of their fathers.

But the most general, and by far the craziest craze of all, is the White Man's love for gold, the clearest light on which is thrown by what happened to the Aztecs and the Incas, who upon first meeting the savage animals which subsequently exterminated them, were first astonished and then disgusted by their, to them, incomprehensible lust for gold.

Those peoples had not lost their proper appreciation of gold as a pretty metal, suitable for ornamental purposes, but gold in no way affected their living, and they were far more thoughtful, provident and democratic in their ways than the White Man has yet learned to be, as witness their public granaries.

Nowadays we put those who do not think as we do in Asylums, but those who are really the most dangerous to Society we leave at large.

There was a time, before the craze, when we also wanted gold and silver only for themselves, but those now most advanced no longer require either, either for adornment or utensils.

But races learn slowly, and as it took many a century before silver and gold became so generally prized as to be used for a means for exchange, so it may take some time yet, though not so long, before the people realize that the general demand, which alone gave them their value, ceased some time since with our savagery.

It is a waste of labor, which might be much more profitably engaged otherwise, to continue to employ it in the production of gold, as we cannot, for lack of early record, foresee the extent of the flood of this metal which, in coined and other forms, will pour in upon us when the burial-pots of India and elsewhere are dug up, as they surely will be, the moment their owners begin to realize, as we are now beginning to realize, that that which they had thought was to be prized of all men forever is not the true God but only another molten image — the metal which can be the most easily spared.

It should not be forgotten that although we all have a general idea about what “money” ought to be, we have had little to say about it. Nor must we forget that the “orthodox” doctrine is that of the non-producing class, who have made their teaching “orthodox” through misrepresentation and force.

The people were persuaded at the time of our civil war, that the paper currency issued by our government was worthless, because forsooth it had no gold behind it.

Now gold, being the form in which it was formerly the custom to store-up our surplus products, we naturally, after four years of the most destructive war of record, consumed the surplus stored, and the only way we could get any more was to again go about it as we had in colonial days, when coin of any kind was seldom seen, i. e., to go to work again and produce

more of the necessities of life than we required for ourselves; and this is just what we did do at the close of the war, when Labor was restored to it's proper fields.

But meanwhile the government had been compelled to issue treasury-notes to pay it's expenses with (having borrowed all the gold it could on bonds) and made the mistake of being itself the first to refuse them, by demanding gold in payment of the heavy import duties it had imposed as a war-measure, which caused it's notes to fall into such immediate disfavor that no one would receive them at face-value; and they came to be known, on account of their color, under the then odious name of "greenbacks."

They fell as low as 40c. on the dollar and were quietly bought-up by foreign bankers whose vision was not jaundiced by their color, who clearly perceived that though different in form they were just as binding on the property of every man in the country as any bond-issue of the government, and who realized that debts are not paid with gold but by the surplus produce which alone gold represents; —

The government has since taken-up a few of them but the bulk* have been allowed to remain in circulation owing to the need for "currency" — in

*The Statistical Abstract for 1909, of the Department of Commerce and Labor, page 603, gives the "United States notes" in existence as \$346,681,016.00, all but six and one-half millions of which are in circulation.

other words, they were and are required as a means for exchange.

Stopping to think how unjust many of the principal things which are "legal" are, and of the positively crooked manner in which our "laws" are made, I hope I may not be misunderstood when I say that the people were swindled when someone persuaded their government to refuse to receive it's own notes; —

In times of war we look for brainy men to serve us, and no man of brains could have failed to foresee what happened to the "greenbacks" when the government acted as it did. The people lost a very large sum of money — and there can be no loss of this kind without someone's gain.

Even so learned a man as the late Goldwin Smith thought that the proper business of the government was only to stamp the coin, and that it had no concern in the banking "trade" (sic), and was not entitled to the profits on the paper it allowed to circulate; —

He had absolutely no vision of the duty of the government to see fair-play among it's people in the matter of exchange.

Now one of the objects the government had in view in reserving to itself the exclusive privilege of stamping the coin, was to guarantee that it contained

a given number of grains of metal of a certain degree of fineness, thereby greatly facilitating trade by eliminating the necessity which had previously existed, of constant testing and weighing.

This was a great step in advance — but it was only a step. Still it was the only step that could be taken at the time, for even where government has accidentally been in advance of the people, which our government never has been, it must always wait for the understanding of the people to ripen before it can hope to accomplish anything.

All peoples know that it is their province to labor and produce, but the peoples until now have had so little to do with their government, that none have dared suggest that the government itself furnish the means for exchange and see that all are provided therewith so that no man may be robbed of part of that which by his labor he may produce.

Coinage was made a government monopoly, not for gain (though unwise governments have temporarily profited thereby) but of general necessity, and the confidence thus established is carefully preserved by calling in the coin when it's abrasion from use threatens to become a matter of import.

It should be remarked here however, in parenthesis, that during our civil war, our government, not satisfied with discrediting it's notes, discredited it's seal also, for it received it's own coins not by tale but by weight, seeking to throw any loss from abrasion on the

temporary holder, and special scales for the purpose were furnished to all custom houses.

The government continues to receive gold from individuals as formerly, but nowadays the individual seldom asks the government to stamp it into coin, but prefers, in lieu thereof, a warehouse-receipt, in the form of a government note, which the government gives him, keeping the metal in it's vaults in bullion form until coin is asked for — for gold-bullion is coming to be used more and more for government and bank reserves and for shipment in settlement of balances of trade.

Gold has already fallen to be a security and is doomed to fall again and become, like silver, a mere commodity.

Having disposed of the metals on which our currency is based, let us pass to the consideration of our system of handling this "currency."

Banks, or money-distributing centers, are of very modern development (16th century),* and might be likened (in their ideal functions) to the Heart, which must constantly pump-out the blood which as constantly flows to it.

This keeping of the blood in circulation is a function only — for the heart does not create the blood, nor should it grow fat on it at the expense of other members of the body — for the blood is the life of the body.

*The Encyclopædia Britannica calls the Banco di Rialto, established by the acts of the Venetian senate of 1584 and 1587, the first public bank in that city and in Europe.

So if we are to avoid the starvation of and death of the body, we must prevent fatty degeneration of the heart.

Banks were organized at first to serve their patrons — for a consideration, for all service should be rewarded;

But they have so degenerated that they now exist for the sole purpose of having their patrons serve them.

The best way to get credit at a bank nowadays is to first borrow or steal enough to buy the controlling interest in it's stock, after which you can help yourself to it's deposits and repay your loans or thefts or buy still other banks if you intend to "operate" on a large scale.

It is true that the "Credits" which you thus get away with do not belong to the bank or banks, but to their depositors, but this is a mere detail and if you are a good "operator" will not be found out, for the interests of the depositors or even of the other stockholders do not count for much once you control.

Most large public deposits of moneys are used in this way, whether in banks or insurance companies — the men with the controlling-interest in the stock make the profits — the loss, if they be so unfortunate, is invariably suffered by the depositors or premium-payers.

Only it is no longer as safe as formerly to rob them of their principal else you may not be allowed to "operate" long. But the "commissions" and other "rake-offs" are sufficient to satisfy any really conservative "operator."

If you are not lucky enough to get into an "unlimited game", you can buy a savings bank, but the profits here are not so great because their former misappropriations were so outrageous that our not over-sensitive government felt compelled to apply special "laws" to them, limiting their investments;

But even with this restriction, the business of employing other people's money for one's own uses seems still pretty good, as witness the assault on the Postal Savings Bank Bill.

Why should banks and other moneyed-institutions absorb all the profits on paper issues, commissions, discounts, interest, fees and imposition of all kinds?

Have we no right to share in the profits on the moneys which we ourselves provide?

This matter is even more important than the Tariff question which now agitates us, for this indirect and unsuspected tax — for Tax it is — if collected by the government itself, as it should be, instead of being abandoned or worse to special interest, would equalize our burdens to a very great extent;

For it can be demonstrated that the fifteen billions and over* of dollars, principally in credits, with which the people have supplied the banks, earn quite enough to provide for the army and navy (which when we are more enlightened economically we will not stand for at all†) and the pension list (which, after the many frauds are eliminated is quite a proper institution though it will be out of date in another generation) — in fact it will more than cover the entire supposedly necessary expenses of the federal government, seventy-two per cent of whose total income goes at present, to the expense of wars, past or future.‡

Then again, if the government entered the banking business — made the people's business it's business — if it could be brought to realize it's duty to provide a means for honest exchange, just as it has been compelled to guarantee the contents of a coin, it need not trade on the necessities of the people, constantly seeking to get the better of them, but by enabling each of it's subjects (we are far from being free-men) to get his full due, would put them in a position to cheerfully pay their share of the expense of governing a great nation.

* Report of the Controller of the Currency, 1910, Document No. 2589, p. 65—Insurance Companies not included.

† I was present at a banquet of a Military Order when one of the first speakers, the late Justice Brewer of the Supreme Court, endeavored to enlighten the veteran fighters present by giving them his ideas about a great Navy. Not a man in the hall seemed to understand his advanced views, and I myself have since rejoiced that I was not among the large number who none too covertly hissed their distinguished guest.

‡ San Francisco Argonaut, Jan'y/21/11—Unconfirmed.

The Mass is paying far more than it's share at present, and it feels and knows it, and is trying to find out how the burden has been kept on them.

And furthermore, if the people had their money on deposit in government banks, they could get it when they wanted it, and not be told, as they *are* now told periodically; — “We are very sorry, but having placed your money out to earn more money, not for you but for ourselves, we cannot let you have it just now or indeed until after the general demand ceases — no, not even the 25c. on the dollar which the ‘law’ is supposed to allow — the Governor has suspended the ‘law’ for us.”

There are, here and there, exceptions to this rule, but few know how to avail themselves of them. When these times come round and you know from experience or hearsay that your bank will refuse to give you your own money, never ask for it but go instead to your broker and, telling him you know when to “throw up your hands,” state just how badly you want your money;

The successful broker seldom makes mistakes and if your's is one of this kind and sees that you really want the money bad enough, he will promise to and *will* get it for you — for he knows exactly what it is going to cost. He will get you your own money, a thing quite impossible for you yourself to do;

And when he goes to see your banker, he will not tell him that he wants your money, nor ask what

the charge will be — he would be thrown out of the bank if he did — but will go in to pass the time o' day, and, in the course of conversation, remark to the banker that "a client of his" (names are never mentioned between gentlemen) has made such a bid for money and he wonders where he can get it;

And if he knows his business and has made the proper bid, the banker, after remarking upon the hardness of the times, will remember that "a friend of his" who happens to have a little money on the side, has left an order for bonds or something else at such and such a rate, but that as he would really like to enable the broker to oblige a client, he will call his friend's attention to the fact that the offer for currency will yield him about as much as the bonds or other things at price ordered.

If your broker is "a live one", with the proper connections at the bank, you always get the money — not your money of course, but the money of "the friend" of the banker.

This knowing how to get your money reminds me of the lower officials and other unfortunate servants of a certain country, who were always paid in warrants but whose warrants were never paid — that is, not directly;

The Secretary of the Treasury was a man of such high degree that he never saw these poor people, and when they called at his offices they were always told that the treasury was empty, and would they

please take the trouble to come another day — to be exact, they were always asked to call “tomorrow”;

After the poor wretches finally exhausted their credit everywhere — it usually took about six months, for they were frugal and resisted to the verge of starvation — they cast about them to try to sell their warrants, only to find that no merchant wanted them for they would have been quite worthless — to them;

How the first one found the right place I never learned, but they soon got to know that there was one philanthropist in town who could and would do what no one else could or would — a broker of another race and nationality, who never took more than fifty per cent and who never turned anyone away who was willing to pay the price.

Curiously enough, the back door of the broker's office was not far from the back door of the treasury, and as the broker never asked the United States Government to help him collect the warrants which he appeared to so philanthropically continue to accumulate, it must be presumed that he was successful where all others failed.

It is highly important in life to have “proper connections.”

Now, the Governor suspends the “law” whenever the Class in whose interests it was enacted, want it suspended — And, indeed, it *must* be suspended — there is simply nothing else to do!

For instance, when, for political purposes, the panic of 1907 was brought about, the people—the workers or producers, had over thirteen billions of dollars** to their “credit” (let us avoid employing that slippery phrase “on deposit”, which people have found so deceptive) in the “reporting banks” of the country, and probably a couple of billions more in the non-reporting banks and Insurance Companies, all but the last supposedly subject to payment in gold upon demand.

Now though from lack of early record, we have no idea of the total supply of gold*, other than the belief that the greater part has been reburied in the Far East and other places where despotic rule is more apparent than at home, statistics tell us that the entire visible supply available to modern trade and commerce today is less than eight billion dollars †, of which we had, in 1907, a trifle less ‡ and now have a

** Report of the Controller of the Currency, 1910, Document No. 2589, page 65.

* Statistical abstracts of the Department of Commerce and Labor, as yet unpublished, give the production of the world *since* the discovery of America in 1493, to 1909, as :—

Gold—Value.....	\$13,392,328,200.00
Silver—Coining value.....	13,488,125,500.00

† World Almanac of 1911 to Jan. / 1 / 09, plus accepted estimates of production since.

‡ and § Statistical Abstract for 1909 of the Department of Commerce and Labor, p. 602, quoting Report of the Secretary of the Treasury.

trifle more \$ on hand than one billion and one-half || -- say about ten cents to the dollar of credit;

So when the people, becoming panic-stricken, as intended, all began to demand their money, the "law" *had* to be suspended for the simple reason that payment could *not* be made; —

Nor was payment ever intended to be made!

The sooner the American people realize that the "credits" which they continue to pile-up (and of which they are largely despoiled from time to time) can *never* be paid, — the sooner they realize that there is not gold enough in the world to do so — the better for the American people.

The "Law", when not suspended, counts upon their not wanting their money all at once;

Also — they never deposited those fifteen billions of "dollars" — in Gold. What they *did* do was to deposit that one billion and one half a little more than ten times over; —

|| The U. S. Treasury Department's Circular No. 52, July/1/10, p. 25, gives the total coinage of gold by the Mints of the United States, from 1792 to June/30/10, as— \$3,149,207,670.50 of which it is estimated that there is now in existence as coin in the United States..... 1,531,074,997.00 while the remainder..... 1,618,132,673.50 is represented as "an excess of exports over imports and the amount consumed in the arts."

The best and, as I now remember, the only explanation I have found anywhere for the "*excess of exports over imports*" of gold, is in the "Public", of Chicago, Jan./6/11, a paper supported mainly by the Joseph Fels fund, where a very strong case is made for the excess of outgo as "tribute to absentee landlords." I earnestly recommend this virile little weekly to those who may object, as I do, to having their news suppressed. I am not in sympathy with some of its views but it *does* have IDEAS and presents them in an unsensational manner.

And their "credit" (do not forget that they had been doing business on credit and necessarily were paid in credit) on the books of the banks and other institutions, if these had been honest, should have been;

Labor — nine-tenths; Legal-tender gold — one-tenth.

It is not necessary to my argument to discuss here the many forms of special privilege which claim their slices of the nine-tenths I have credited to Labor — I attempt only to isolate and make obvious the fact that the legal-tender gold credit can under no circumstances be more than one-tenth.

But the banks, who admit they are working a system, do not show things on their books as they really are (this would not do at all — from the standpoint of their interest); and they continue to uphold gold as the sole "legal" tender, though they know that gold barely suffices to settle the mere balances of trade;

And at the same time, they pretend that gold is being "over-produced" (unwittingly admitting it's unfitness, though on wrong grounds) when as a matter of fact it's relative production has so fallen behind the enormous increase in the volume of trade, that it is now seldom seen at all, save only in settlement of balances and in the smallest personal transactions.

The people do not realize that the volume of trade has so outgrown the gold-measure that it has come to be conducted entirely on a credit basis, and that as credit is controlled absolutely by the bankers, these can bring business to a stand-still whenever they will; —

And they *do* so will whenever they find a plausible excuse, explaining the disturbance as the “natural result of unorthodox politics” or as a “healthy reaction after inflation”, the “inflation” being activity on the part of the workers and the “reaction” being the running into their own pockets of the product of the activity — for these non-producers must live (God alone knows why), and they have learned to spend money in many more ways than are known to the producer.

The Bankers kill credit with that terrible weapon, Gold, which they carefully keep in their own hands and only unsheathe occasionally when they think it safe to gorge instead of feed — then only is the truly terrible nature of the instrument perceived — it is the SOLE “legal” tender; —

But after the slaughter is over, and the sheep wanted have been killed, the weapon is sheathed again and the remaining sheep forget all about it — for are they not Sheep.

The Bankers make a “great a do” during a killing or panic — the uninformed might think they were getting hurt themselves; and they sometimes *do*

“get away with” some unpopular or too competitive member of their own class on these occasions, the excitement of the people being somewhat assuaged by the act, it being comforting to them to think that the poor bankers are suffering too.

And other banks, without “proper connections” (outside the ring), are occasionally cornered with the animals to be killed and get “stuck” themselves, but this is incidental and does not occur so often now as formerly, for knowing that this blood-letting, though not frequent, is none the less a *regular* occurrence, they have learned, when they see the animals getting too fat, to drop back into the pasture, like wise ticks, before being driven with them to the slaughter.

No!, No!, let us not deceive ourselves — The Banks know “the game”, which is not a losing one for them or they would not remain in it; And it is such a good game, that they have raised the limit by having “laws” enacted to keep the little fellows out, and are forming themselves into a Trust.

Truly, Banking is a “Trade” — They never buy anything — they merely “trade”;

Did you notice the most “gilt-edged” American stocks being advertised in 1907 in twenty or thirty different places in the same papers, and day after day? They were offered at “bargain prices.”

If the banks had wanted them they would have not been advertised. But banks do not *buy* stocks — their controllers manufacture them for *sale*!

When the Vanderbilts sold-out the New York Central Railway they demanded cash and bonds; When Carnegie sold-out to the Steel Trust, no stocks for him but Bonds, and *first-mortgage* bonds at that — No second-mortgage bonds for him — these were for public consumption only.

Why!, the collective presumption of the entire Moneyed-Interests was not sufficient to even propose that the government, which they have elected and stick whenever they can, should lend them money on railroad STOCKS!!! — No!, it was on railroad *Bonds* that they had the measure passed, though these alone are known to cover pretty nearly if not the entire cost of the properties.

Why!, banks will not even *buy* bonds unless they can “underwrite” an entire issue at a sufficiently large discount, and then only if they think the chances good of the Public’s taking them off their hands.

Banks do not *buy* — They are, as Goldwin Smith says, “Traders”, with the very special privilege of trading with other peoples’ money and taking “rake-offs” both ways, which it is thought highly improper for any one else to do.

Privileged indeed! It would be interesting to know what the real returns are on the actual cash

capitals of some of the banks of New York, where the out-shylocking-Shylock "call-loan" rates of interest obtain ?

As an instance, when our most envied banker-promoter, seeing that the political panic of 1907 had gone farther than intended and was getting beyond control, and fearing that the House of Stocks would fall about their ears, borrowed an admitted twenty-five millions of dollars (some think it was many times this sum) without charge, from our public treasury (There is no special privilege in this country, Oh no!), his newspaper minions heralded forth pæons of praise of him as the Saviour (God save the mark) of the country, stating that he had charged third parties only ten per cent (the usury "law" fixing the limit at six) for the use thereof, though why he should have been so moderate when the counter "law" safeguarding usurers (and the federal government itself for that matter, for the moneys seem to have been handed him without restriction) permitted him to charge anything he pleased, is hard to understand.

Regular "call" or gambler's rates being at the time three hundred per cent and over, did he receive private "commissions" over and above the admitted ten per cent which our so-called *public* press did not think it expedient to announce ?

Still, playing Saviour is a good job even though one retain but ten per cent of the loaves and fishes.

What is not easily understood however, is how it came to pass that men who were playing with thousands of millions should have been so hard-up for a paltry twenty-five million — Did they not have this much ready cash themselves somewhere ? Or was all their own money safely out of the country where other despots keep their's ? Or had it been merely prudently transferred to the vaults of the safe-deposits under the guns of the forts at Newport, with the ocean-going steamers of the New York Yacht Club standing-by under full steam, ready for any emergency ?

Banking is such a risky "trade" that our money-lending philanthropists would not endanger our government by allowing it to attempt to compete, still, admitting that we are prohibited by "law" from paying the current price for brains, no one could do much worse than to turn public moneys over to private interests without return.

Our money (labor in liquid form) is not handled by our government for our benefit, but has so far been controlled, for their own benefit, by the private interests to whom we have been persuaded and forced to entrust it.

There are billions upon billions of dollars of accumulated wealth in this country — not the Land, on which all else depends, but Labor in concrete form — and next to the conservation of the soil, the existence of our nation depends upon the protection of this accumulated wealth and the prevention of it's continued concentration into the hands of a few; —

But it has so far been the policy of our government to leave it entirely unprotected. It can not be exchanged save upon terms dictated by the money-lenders, and if not kept free and unencumbered (i. e., not used to produce more wealth) is in great danger of falling into their maw during one of their periodical raids on property.

Is it not high time that our federal government, which has had constantly to extend it's functions, extended them to the banking "trade" ?

Perhaps a future Congress may permit the matter to be thrashed-out in open debate on their floors and allow a proper bill to go through instead of emasculating or burying it in secret-committee — Stranger things have come to pass.

The banking class will ask where the government is going to get the money to start with ? Very easily indeed, and not by the absurd process of buying any more of that no longer useful product, gold — for this would be to put our government needlessly into debt (which has been done too often already) and to temporarily revive a demand for that commodity. Gold would simply have to be piled-up, and the vaults, which are already well filled with our childhood's-toy, silver, would have to be enlarged to hold it.

The people are even now half persuaded that the credit of their government — the collective credit of over ninety million people habiting one of the richest of countries — a nice little corporation whose prod-

ucts alone are far in excess of twenty billions of dollars per year*, and which are constantly and rapidly increasing at that — while perhaps good enough for the issue of billions of dollars of bonds of LARGE denomination, which the government must sell at a “rake-off” and *pay interest upon*, may not suffice for bonds of small denomination available to the “common people” under the form of non-interest-bearing Treasury-notes, the interest behind them being paid not by but *to* the government, with an entire absence of “rake-offs”, as will be explained farther on.

But the people are progressing — They are getting accustomed to “paper-money”, and have really come to prefer the government ware-house receipts for gold (the gold-orders or gold-notes) to the gold itself; —

In fact they are progressing so fast that they have acquired the mistaken notion that they are quite able to take care of themselves and can do without the government, hence they have come to use their own “paper” (checks) in greater volume than they ever employed the paper of the government.

But it is just here that the Bogey-Men catch 'em — Credit is a very dangerous thing in a country with a rigid and extremely limited “currency” which is controlled by a few who can call for a “show-down” whenever they please.

* World Almanac, 1911, page 195.

Drew, Fiske and Gould put only fourteen millions in the pool, the manipulation of which sufficed to tie-up the entire finances of the country at the time, wrecked perfectly solvent concerns by scores and spread ruin and disaster widecast.

Today manipulators can form a pool for the same purpose any time they please, and an hundred times or more as large if necessary. But they no longer go about it in such a crudely direct way — Nor is it necessary for them now to put up the money themselves, for they control all the insurance and trust companies and banks and other institutions, not only in New York City but throughout the whole country; —

They can use the people's own money against them whenever they like, and the government will pretend it does not know what is the matter.

After the lapse of more than nineteen hundred years, it is still necessary to cry; — “Father forgive them for they know not what they do.” Christ gave them the benefit of the doubt, but that was long ago.

It is the duty of the government of a great and advancing people to recognize and cure this rigidity in it's currency system by beginning to supplement the poor means for exchange with which the people have furnished themselves by one based on more advanced methods; —

For however otherwise man may profit at the expense of his neighbor, a government which still pretends that "all men are equal before the 'law'" (and so they are, theoretically, only the poor man before the "law" is like the fellow with one white chip in a poker game — he has *all* "the rights", but not much chance) should see to it that he profit not through any failure on it's part to provide proper and sufficient means for honest exchange.

Now the mere mention of exchange presupposes things to be exchanged, and that attention should not be diverted from the exchange itself, the medium therefor should be shorn of all complexity and made so simple and self-sustaining that manipulation will no longer be as easy as at present, thus making it more difficult for the crafty to obtain something for nothing.

That money should have intrinsic value so that it can be hired out of itself, is absurd — Money should be simply the certificate of value of that which is to be exchanged, and no one should be entitled to it's use who has not something to exchange.

But such are the intricacies of modern life, owing to man's constantly increasing wants, that it is no longer practicable to give separate certificates for the countless things exchanged; —

In order that the convenience of a common denominator may be enjoyed, we must base the certificate of value on one thing only, and that thing vital to all.

There is no doubt in my mind that in the course of our development the time will come when these certificates of value will be based on the efforts, physical and mental, of man himself;

For as land itself is worthless without labor, be it only the exertion required to gather the wild fruits thereof or to chase the game or watch the herds thereon, we are bound eventually, when we get to recognize, as we have begun to comprehend, the general community of interest in and the right of all to the use thereof, to base our currency, not on the land itself but on the labor expended to wrest it's products from the land;—

But as it was only the other day, so to speak, that we took the great step of minting the metal which has so far served us, and as it is only today that we have begun to take the next great step of stopping the mintage thereof, so we cannot expect to reach any such altruistic stage as basing anything on the efforts of mere man, until we have first taken the next step—labor is too little valued and brains too few as yet.

Thus I would suggest that for the next step we take Land for a base. There is nothing new in the suggestion, but let us see how it would work out now that we are beginning to get a bit more enlightened.

We are coming to suspect that the land is, as Henry George said, vital to all of us. Private property in land in perpetuity without proper return to the community is just as surely doomed as was property

in human flesh, but it is to be hoped that we may put down this form of title to the proceeds of the labor of the slave without going to the lengths we did when we threw down the no more cruel and no more unnatural title to his flesh.

But until this time comes, and until God tells us whether he intends the beings he will continue to send into this world to be born freemen or slaves, let us see how Land, as now held, can serve us as a base for the next step in our matters of exchange; —

It is surely a far better base than anything we have at present — better than the railroad bonds private interest has already sprung on us — for the Land will endure after our Nation itself shall have passed away;

And then again, currency based upon it, as hereafter suggested, would seem to fulfill the three requisites for a modern means for exchange, which I take to be; —

Stability — meaning that the purchasing-power shall remain always relatively the same; —

Availability — or the right of those who have something they desire to exchange, be it the direct or accumulated product of labor, to be furnished with the means for exchange; — and

Flexibility — or that quality which will at any time bring it into existence in sufficient quantity to meet all proper demands and which, after it has

served it's purpose, will send it back to it's source and put it as automatically out of existence.

Now, having revoiced the old suggestion that the government go into banking, let us repeat that we do not want it to borrow any money to start with, though it can unquestionably get all it wants for direct expenditure, let alone conservative "trading", from it's own people, and at a low rate, any time it chooses to call upon them direct as is done elsewhere.

Nor do we wish it to issue any more "green-backs" or other fiat currency — though it's credit is quite sufficient for this also, and in sums quite in excess of all our needs for exchange.

So as not to violently disturb existing conditions we wish it to begin to get it's money where the bankers get their's — from the people.

Where the banks now get a dollar, the government would get ten — it would literally "rise from the ground." Foreign labor would let their earnings stay with us a while instead of carrying or sending it home, and might even conclude to invest part of it here.

The government would *not* have to go into debt to get this money.

Having seen that no *fixed* measure of value can be established, we would place no hampering restrictions on the rates of interest to be paid or received by the government, but leave this matter to settle itself in a natural way, though it is not proposed that the

government should compete with the bankers who have already begun to bid against each other for the moneys necessary to their trade;

Nor would it be wise to put the present banks out of business by any suppressive acts of legislation —

— Repressed, they never have been, but continue to charge, as the railways have always done, “all that the traffic will bear”, usury “laws” and all other “laws” to the contrary notwithstanding —

No social evil ever has been or ever can be cured by “law” — It is the conditions whence the evils arise that must be changed, for evil results only from the misuse or abuse of things good in themselves.

No!, the government, in going into “the Game” (Curious word this, “Game”, used by bankers, promoters, politicians and statesmen alike, in fact by the entire non-producing class — seems to be necessary to the times) should not try “to do the other fellow fust” but act as umpire and see that there is no foul play.

Though we would give the government the right to pay interest on deposits when expedient so to do, it being seemingly obvious that no private institutions should have greater powers than government itself, this would, for reasons given farther on, probably not be done at all.

Government banks would be opened in all public offices throughout the country, and the people given

the convenience of opening an account in any sum, and of checking against same, without charge; —

But with this very great difference from the system now in vogue; — money would be received and paid *in KIND*.

To pretend, as is now pretended, that you will receive silver or other things and, through the alchemy of high-finance, turn them into gold for payment on demand, is to make false pretences — It can *not* be done; — The transmutation of the metals, so far as knowledge has yet progressed, is thought to run the other way.

The Governments of the Earth have not been able to maintain the parity of metals essentially different.

The vast deposits of silver in the government vaults at Washington, both in coin and bullion, is an indigestible lump which has got to be cut out of the body-politic before it causes a festering sore; —

It had better be “written-off” now than later if soundness be desired, for to continue to receive it, as it is received, of itself but in the form of notes, under the mistaken idea that our government can turn it into gold, as it solemnly and most foolishly promises but has always failed to do, is simply begging the question — leaving the nasty thing to be attended to by “the next fellow”, which is just what our statesmen do.

However, this is the people's business, and if it should now begin to safeguard same, the government should be honest with them and say; —

I am going into the banking business for your sakes, just as I went into the Post Office business and just as I hope to be allowed some day to conduct a Parcels-Post and Telegraphs and Telephones and other public conveniences for you, as is done in countries "less-advanced" than we are; —

I will receive the money you give me in kind and upon demand I will pay you back that which is your's; —

If you have deposited silver and another man has deposited gold, I cannot give you gold, for that would be misapplication, nor indeed would the other man be willing to take your silver for his gold, for silver is *not* legal tender.

As I agree to return unto you that which is your's at any time you may choose to demand it, manifestly I cannot use it; nor indeed would it be either fair or honest to use that which is another's without his consent and for my own profit.

Under these conditions I cannot pay you interest on your deposits, but I do assure you that these will be at all times not nominally but actually available. I am going into this part of the business at a loss, which I willingly incur as a matter of public necessity.

I repeat, I cannot lend this money out, for it is not mine but your's, nor could I keep my promise to let you have it when you wanted it if I did.

But there is another service which I *can* render you — I can begin to relieve you of the great trouble and loss of labor and positive danger involved in striving yourselves to continue to meet the constantly increasing need for greater means for exchange;

It was foolish of me to agree to furnish money on railroad bonds, for there is a far safer way in which I may begin to provide you with a never failing means for exchange, without shocking public confidence at all, without injustice to any existing institution, and which will possess, nevertheless, the inestimable advantage of holding interest-rates at the proper livable level as no "law" has ever done; —

It will no longer be necessary for you to consider that quality of money which, on account of the momentum it must continue to gather to meet constantly increasing necessity, we have come to call it's "*velocity*", and which has already reached such an alarming point that if any one man in sixty delay it in it's onward flight, the other fifty-nine will not be able to meet their obligations.

On the matter of the currency, the people have never yet stood together — They are like an interminable line of wooden soldiers, set up one behind the other, but separated — Knock the first man backwards and down they all go, one after another; —

But place them *together* (wooden soldiers never place themselves), and no power that we know of could knock them down — Only this would not suit the boys who own the soldiers, for they could no longer play the game.

But let us back on the main-track again!

Man has so far found nothing “*fixed*”, nor is he ever likely to, so, as the time seems to have come to take the next step in advance, let us now choose a “standard” for our measure of value which, as it *must* change, will ever advance, step by step, as we ourselves advance, thus constantly maintaining its relative position in the ever-changing order of things, instead of losing it by “falling” so dreadfully in “purchasing-power”, *as all the metals have done*, our last love, gold, more rapidly than all.

Positively the only thing at our present command which at all approaches this high standard, is our Land itself, the demand for which is insatiable.

We ourselves spring from, subsist on, and return through the soil, hence this natural and universal demand must continue to increase until that great time comes when man is called upon to justify his continued existence; when his earthly body shall no longer produce other bodies; and the matter of our planet shall return whence it came.

And we happen to have right at hand, everywhere they may be needed, and ready for immediate reference, complete tables of all our lands, however

used, together with the prices at which they are assessed — prices so conservative that not one among us would accept same in exchange therefor. However few have been able to misrepresent their personalty, *all* keep the land rates as low as possible.

I will not refer to the land-tax as proposed by that great and human-boweled economist, the late Henry George, conditions being not quite ripe with us as yet for the general application of any system so simple, direct and equitable.*

The governing class prefer to levy taxation in an indirect manner, so that they may escape paying their just share. For instance when they levy on the bonds and stocks of a corporation, they do not levy against the corporation itself, which could easily recoup before paying interest and dividends; —

No!, they levy on such individual holders at home as may not be able to successfully conceal them, or on such as may be foolish enough not to care to lie about the matter — the foreign holder escapes Scot free; —

This enables them to sell the “securities” to better advantage abroad, and their one aim is to *sell* them while they can — It’s a fine business and will remain perfectly “legal” while they continue to control the law-making power.

Everywhere in our country taxation of all kinds is unjustly distributed — which is why the rich grow richer and the poor poorer.

* Other countries have already begun to apply it with success, and that most enlightened of all *our* States, Oregon, has already started something very much like it — perhaps the entering wedge.

But let us not advert to the subject of taxation as a whole, but confine ourselves to the levy on city lots and to the way a foolish government discourages real progress and places a premium on shoddy and unsafe construction of all kinds; —

Little is built nowadays to last — the “law” makes it unprofitable. The level and the square have passed from common use — the loss of time is too expensive, for the better the building is the more it is taxed. Buildings are rushed-up by contract in the cheapest manner, and honest workmanship is no longer possible. “After me the deluge.” — Such is one of the natural results of taxation misplaced.

The tax instead of being placed upon the lot is spread-over the improvement upon the lot, thus taxing labor itself; — Result — no more labor than is positively necessary to prevent the building collapsing; And, worse still, part of the tax which should be paid by the owner of the vacant lot adjoining is imposed upon the builder, thus encouraging speculation at the expense of enterprise.

A fine system truly, and on a par with all our stealthy processes of taxation.

Now let us consider the case of an individual owner of vacant city lots sufficiently progressive to desire to improve same for his own benefit and incidentally that of the community;

He has managed to save enough money to buy the lots outright and wishes to borrow the money to make them immediately useful;

He might incorporate and issue long-term bonds, but no one would purchase them save at a ruinous discount over and above the rate of interest, and as he cannot afford to pay this he is compelled to borrow the money on first-mortgage.

Now why is it that in the entire United States he can find nowhere, either individual or corporation (and such individuals as know "the game" carefully conceal their identity under a corporate name and have "straw-men", their own clerks, rob the borrower in advance of all he will "stand for" under the guise of "commissions", "examination of titles", &c., &c.) who will let him have the money for a longer term than five years (preferably three or one unless they happen to have stuck him for higher than the usual market rates)?

As the income from real property in any community rarely if ever exceeds the percentage there demanded for the use of money, it is obvious that the income from the building it is proposed to erect can carry the interest on the loan wanted but can never repay the principal, and that the only way this can be done is from the proceeds of the land-rent or by further saving on the part of the borrower or both.

If the would-be builder when purchasing the lots, has had the foresight to mark the trend of the city's growth, his land-rent will increase,* but the rent from the building will never increase but will be sure

* Here comes in the question of "unearned increment", already agitated in countries more advanced than our's, and the principle of which is already recognized in certain well-governed communities — It is a fit morsel for this collation but I will not serve it here.

to be lessened, as time goes on, by the ever-increasing cost of keeping it in repair.

Now if all the money-lender wanted were a just hire for his money, it would be an easy matter to figure out just how long it would take for the land-rent to cover the principal, and the loan could be made for that term; —

But the money-lender is by no means content with a just hire for his money — Nothing could be possibly farther from his designs — He intends that the loan shall be renewed as often as possible, because he profits by the “renewals” at the further expense of the borrower;

And if he fail to “call” the loan when due, the borrower, if he be a wise borrower, had himself best arrange and pay for the renewal at once, because should he allow the matter to run along until money became really “tight”, he may be quite sure that the lender will suddenly remember that his loan is “overdue” and call it immediately. He will be very polite about it, to be sure, but he will not fail to collect another commission for the renewal, nor to raise the interest rate and otherwise “squeeze” him to “the limit” — for has he not caught him in a tight place ?

Then again there is always the chance, on which the money-lender counts, that the loan may fall due when money is “tight” — And the percentage of chance against the borrower here alone is as great or greater than the percentage which led to the general closing-down of roulette and other games of chance — Only the borrower is helpless, while the gamblers threw their money away voluntarily.

In some places in Europe protection is extended where needed, on the, to us, unknown theory that the powerful, who do not need protection, can take care of themselves; —

But here, even the Great State of New York wants it's pound of flesh. For the sake of apparent decency it charges it against the lender, but it knows perfectly well that the borrower is compelled to pay the one-half of one per cent which it charges for the filing of a mortgage; and it knows further that the borrower in turn endeavors to fix the charge on those still less able to bear it; —

But the finest churches in the land are in New York, and does not the Bible tell us that "from him that hath not, even that he hath shall be taken away from him!"

But I keep referring to our currency system as it is — Let me now endeavor to suggest the remedy, taking a bird's-eye-view of currency *as it might be*; —

We acknowledge title to land — and we always will acknowledge same, however readjusted by the more equitable distribution of taxation which the future is bound to bring forth.

The era of free land has passed in this country. Land is no longer to be had for the asking, and is becoming more valuable day by day; —

And we have fairly complete cadastres at hand, ready for immediate use.

The Land is therefore eminently suitable for a base in taking our next step towards a modern means for exchange.

I would have the federal government emit general Land-Notes of the usual denominations, or in such as may from time to time be most desired, and keeping always well in advance of all possible demands, so that there may be no delays, issue them as applied for, to the holders of unencumbered title to taxed lands of all kinds, taking a mortgage on said lands in exchange as a guaranty for the return of the notes issued; —

I would limit the total advance to sixty per cent of the assessed valuation of the property mortgaged, but I would allow the owner to obtain any sum up to said sixty per cent, in one, two or more loans severally on each piece or pieces of property, as he might desire, treating the several mortgages alike;

I would allow no State to tax the Federal mortgages;

Although it is quite safe to accept the present cadastres everywhere to begin with, I would provide for federal inspection of future changes therein, arrange for these at regular intervals, and prepare federal tables where the local assessors might incline to advance values unduly;

I would have the general Land-Notes without interest, without reference to any particular trans-

action, guarantee them and make them legal-tender throughout the country;

But the mortgages securing these notes as issued, *would* be particular transactions, between the individual and the government and the principal thereof would be repayable in Land-Notes only.

The mortgages would bear interest not to exceed five per centum per annum, payable semi-annually on fixed dates, and would run for six months and "thereafter until paid", the idea being that the party needing the medium for exchange must pay a minimum of six months' interest, but that thereafter the mortgage might run, at his option, as long as desired, and at the same rate, the government having the usual right of foreclosure for non-payment of interest and the right to call the loan for readjustment whenever any change in the tables of assessed valuations showed an advance by the loan beyond the sixty-percent limit.

The interest would be applied to the credit of the government's banking service and in consideration thereof there would be no charges for "examination of title" or other imposition of any kind whatever;

For the sooner the government gets all titles in easily accessible shape the better, and it should be done at public expense.

Any government mortgagor may cancel any one, two or more of his mortgages, severally or collectively, at any time by paying principal and accrued interest (six months minimum always) and the government shall cancel the mortgage or mortgages and give him a release without charge.

The principal must be paid in Land-Notes which shall be destroyed upon the cancellation of the mortgage.

The interest may be paid in any "currency" but if paid in Land-Notes these shall not be destroyed but paid out again by the government to it's employees or otherwise, so that the outstanding Land-Notes shall at all times equal the Land-Note mortgages of record.

Eventually, the profits, even limiting the interest to five per cent and cutting-out the many other impositions, of the business, when it worked down to it's bearings, would begin to absorb the wealth of all our communities, even as the Bankers have for long years absorbed it, but then, if it were not desired to run the entire government from this account alone, the interest rates could be reduced.

It is obvious also that as principal only can be paid in Land-Notes, the interest charges would eventually wipe out all other forms of currency, and as we have already seen, and shall see again, that this must be done in any event, this would be perhaps the easiest way to do it though events might not permit it; —

But after we arrive at this stage we may be ripe for the next step in advance.

It must be observed, that in issuing these Land-Notes, the government would appropriate nothing to itself but a heavy and perhaps temporarily proper charge for the "accommodation."

It would not be "debasing the currency" but elevating it, for the new currency proposed would be based upon real assets instead of upon a series of debts as is the case with our present system.

The people could have all the currency they require without the slightest danger, as there would never be a superfluity for the simple reason that the minute it ceased to be worth five per cent, that moment it would be returned, written-off and destroyed together with the mortgage.

It will be objected by the class which trades and speculates, and worse, on the needs of all, that this "paper" would "run all the gold out of the country;"

They could undoubtedly send it out of the country or lock most of it up, as they have done many times before; They might even scare the government, as they have also done before when it did not seem inclined to immediately do their bidding;

But we have never had a real "show-down" yet — the people have been bluffed too easily — and if it comes to the "real thing", the banks themselves are in a very bad plight;

Through their crooked way of keeping books and the great ease with which they have heretofore obtained money under false pretences, they have exposed themselves;

For they have bound themselves to pay the people twelve to fifteen billions of dollars in gold upon demand, and by declining to allow their governors to continue to suspend the "law", they can be wiped out, for, as has been stated, the visible supply of this metal in the entire world is less than eight billion dollars, of which but an insignificant proportion remains in this country.

No!, the chances are the money-lenders would not, when they saw the people really determined, let matters get to any such pass.

Foreseeing that this flexible, *real*-property-asset Land-Note system would soon drive what little gold there is outstanding into the government vaults, where it would remain with the silver until sent to countries still in their infancy or were ordered cast into statues commemorating our present financiers, these gentry would be the first to quietly, for they are very quiet in their ways, change their gold, and receipts for gold and silver, into government bonds.

For the government would have to be prepared to redeem not only the gold but our entire present rotten currency, and as the only way it could do this would be by the issuance of interest-paying bonds for the metals, the loss would fall, as usual, not on the class but on the mass;

But it will have no difficulty in so doing if it will issue them in small denominations and make them directly accessible to the people, on whom the heavy charge must fall, for the people will mortgage their unencumbered lands and take them up on account of the profit in the transaction, for the government, in this instance, must necessarily pay a higher rate than it demands;

Though it is highly probable that the difference in rate will not amount to as much as the government has been accustomed to grant heretofore in "rake-offs" to specially-privileged individuals.

The turning in for redemption of that funny part of our present currency which is based upon government bonds, will not increase the debit balance of the government at all, but it will make a decided change in the holding of the creditor, who will have the bond itself as security instead of second-hand notes as at present.

The only apparent loss will be in the redemption of the gold and silver, which childhood's toys our governmental parent must take off our hands;

For, strange as it may seem, this will be no real loss at all, for the labor employed in their production is lost already, and is a small price to pay for our education if we can but arrive at a better understanding of the real requirements of exchange.

But we must not lose sight of that large part of the people's credits in the present banks, amounting

to about nine-tenths of the total “deposits”, which the banks cannot pay for the simple reason that they never have had and never will have, under the present “system”, the “currency” to pay it with.

The people cannot avail themselves at once of the nine-tenths part of their supposed “deposits” as these nine-tenths were, as we have shown, not deposits at all but mere book-credits which have themselves been passed-on by the banks to third parties.

Such as have been put out at interest by Savings Banks, Trust and Insurance Companies and such, are probably secured by mortgage, in one form or other, on *real* property, though as the credit lent is not theirs but your’s, the loans are probably far in excess of any advance the government would make as the base for a safe currency;

But the “national” banks pass the larger part of your credits on to third parties on mere notes of hand (“commercial paper”) without other security than the hoped-for continued solvency of the borrowers, which, as we have seen, may be wrecked at any time. They also lend a large part on stocks and bonds, and these are good while a market for them lasts.

Listen to what the “Literary Digest” says on this point in it’s issue of the 21st ultimo, quoting the “Toronto Globe”; —

“The richest country in the world; the Mississippi Valley, the greatest storehouse on all the globe: cotton, wheat, sugar, live-stock,

corn, everything. The most enterprising people of history. Marvelous industrial development. A wealth of capital. *And yet one cardinal sin, overcapitalization.* Such overcapitalization that the foreign investor has turned against it all. He has sent back to the United States (at a profit) most of their securities that he bought some years ago, and he wants no more until the water is squeezed out. The savings of the people of the United States as represented by the banks, trust companies, trust funds of all kinds, even many bonds of first-class rank — *nearly all the savings of the United States have been tied up to this watered stock that was bought by Americans or sold back to them by the foreigners. But not only is this watered stock tied up to the nation's savings, but the investors who borrowed the money to carry this watered stock have dropt it and the stock is now the property, out and out, of those who lent money on it — trust companies, bankers and banks, trust funds, capitalists, and the like. The shareholders in the trust companies and banks and the beneficiaries of trust funds, many of them do not yet know of this state of affairs!*

They are all of them risking your credits for their own benefit;

So you cannot hope to get nine-tenths of what belongs to you until the "law" is applied — which it never yet has been in your favor.

I never was good at story telling, as my desire for information runs in other directions, but I have a

dim recollection of one about three artists being given a commission to make a drawing of a camel: The German went to study him at the Zoo and the Englishman sought him at first hand in the desert, but the Frenchman sat in his studio and drew one from "the depths of his imagination" — And it was said that the Frenchman's drawing was the best of the lot; —

So as I do not care to bother the Treasury Department, and might be asked whether my intentions were honorable if I went to Wall Street, I will follow the Frenchman's example, and try to draw a balance sheet, showing the situation of the Banks today, viz;—

The Banks of the Country (Insurance Companies not Included) in Account with The People.

Dr.

Capital	\$1,880,000,000.00
Surplus and <i>undivided</i> profits....	1,952,600,000.00
Deposits of the people, subject to repayment to them on demand, <i>in gold</i>	15,283,400,000.00
	<hr/>
	\$19,116,000,000.00
	<hr/>

Cr.

Loans	\$12,521,800,000.00
U. S. Bonds.....	773,400,000.00
All other bonds and securities....	3,950,000,000.00
Cash (including <i>national</i> bank notes " <i>&c.</i> ")	1,423,800,000.00
Unimagined	447,000,000.00
	<hr/>
	\$19,116,000,000.00
	<hr/>

I find the foregoing figures on page 46 of the Treasury Department Document No. 2589 of Dec / 5" / 10, where they are given as of June 30", 1910. You can turn to other pages of the same document and get entirely different figures, but these will do ; —

It will be seen that although the bankers have drawn out all that they have required for their living and for investment elsewhere, their "*undivided profits*", after paying all the heavy charges of conducting the business, still exceed their entire nominal capital. The Controller does not tell us how much of this capital was paid-in in the first place, or *how* same was paid. I have called the "*trade*" a TAX on the people — Is it or is it not?

But observe my statement carefully, gentlemen. I have arranged the figures in a different manner than that in which the government publishes them ; —

Manifestly if the banks take credit, as they have done, for national bank notes, they cannot also take credit for the U. S. Bonds behind them, hence whence do the seven hundred and seventy-three millions U. S. Bonds come from that they do take credit for?

The banks could not have bought them willingly because they pay always as much and sometimes more interest on deposits than the bonds bear! Were their controlling stockholders hard-up and compelled to dump these on them temporarily?

I have passed four hundred and forty-seven millions, which I could not find (though I do not doubt it is there somewhere) as an item too insignificant to be considered and have put it down as “unimagined” ; —

But what of the three billions, nine hundred and fifty millions — an amount which exceeds the combined capitals and surpluses of the banks — which they do report but cannot put down as a *loan* ?

Can it be possible that the Editor of the “Toronto Globe” is a man of imagination also, and can it be that this entry covers the “securities” (they would naturally send their stocks first, though a few bonds may have been included to permit of the wording of the entry) which he believes to have been sent back to us ?

And have our moneys been taken, without our knowledge or consent, in the vain attempt “to support the market” ?

But if this be so, then most of the gambling banks of the country are insolvent!

But the Bank Examiners must have known this.

Were their reports suppressed also ?

This would explain many things, gentlemen, — but I have let my imagination run far enough.

Now when any servant borrows the money from the particular concern you are bossing in person, it does not make much difference to you how well he invests it or how soon he promises to pay it back; If you can catch him you stop his career then and there; —

But when it comes to the greater part of your funds and savings, which they tell you you may have back whenever you want, you are so ignorant of the workings of and so hypnotized by the very name of "high-finance" and become so mentally paralyzed when they speak of millions, that you quite lose sight of the fact that it is far more important that you should boss or carefully look after those who boss and use your capital than to stand guard over the smaller till at home.

You would not even know what they were doing if they stole the United States Treasury from under your very nose.

A glance at the foregoing table will show you that you *cannot* have your money back whenever you demand it, and that your credit is being used for private ends.

But it would be wise to begin to apply the brakes slowly, and as these mortgages, notes or other evidences of debt mature, have the people to whom your credits (Labor) has been lent, go to the government for credit, and where they have *real* property on which to obtain Land-Notes let them get same, and where they have not then let them mortgage that which they have at higher rates to those who *can* obtain Land-Notes, and let you be repaid that which is your's;

And where they have nothing on which they can obtain Land-Notes, either from government or private individual, then let those who have lent your credits without proper security make those credits good;

And if there is to be a loss — and there surely will be great loss — then let us suffer that loss at once and, getting back what is left us, start afresh on a sound basis, so that others may no longer fatten on our labor.

Now, though the people will eventually do their banking entirely through the central government, it would not be wise to even think of *driving* the present banks out of business — Beneficent growths are necessarily slow.

We have seen that it is not proposed that the government should pay interest on deposits. Interest is hire paid for the use of money, and as the government cannot and will not use the deposits, it will not pay interest on this account;

But the private banks *do use* other people's money and can therefore afford to pay interest on deposits — and it is proper that they *should* pay interest on such deposits;

Only, the person who hires his money out for use has no right to expect same to be returned to him on demand, — nor should these banks continue to lead their depositors to believe that they can have their money back when asked for.

The most that can be done is to stipulate, before depositing the money in a private bank, that same must be returned on a certain date, and this then becomes a private contract;

But if the money be lost (taken from it's owner without return to him) — and hire for speculative purposes always involves risk — it becomes a matter between these individuals and the contracting banker, with which the rest of the community, and the government have nothing to do.

There will be room enough for some time to come, for these private banks, for aside from the endless legitimate needs of agriculture, manufacture and trade, there will always be, as at present, a demand for gambling purposes — or at least until our human natures are far more advanced than at present — until we cease to seek to get something for nothing — until we learn that the only way to grow rich is to give;

But until this time comes, it is very much better for gambling to be conducted openly than behind closed doors — for it is idle to think of controlling human passion through human “law”, as inclination must too frequently dominate reason.

I claim no patent to these ideas, which must have occurred to many men, and which will thrust themselves upon any mind that lays itself open to thought.

Let us try to perceive and give an outline of the probable effects of the remedy proposed; —

1" — Our present makeshift currency would be wiped out.

2" — We would have a stable, available and flexible medium for exchange in it's place, with real assets behind it instead of debts.

3" — The first hire of the medium for exchange would go to the federal government, which is properly entitled thereto.

4" — The super-hire would be paid by those having no permanent stake (Land) in the community, though even this would be held in check, naturally and as no human "law" has ever held it.

5" — Agriculture, manufacture and trade could never be "held-up" and exploited, for they could get the moneys required on their own lands, or from other owners of lands, the moment private bankers demanded more than the service or risk was worth.

6" — Accumulated landed wealth would be absolutely protected and not left at the mercy of financial pirates as at present.

7" — There would be no more "commissions" for "finding" the medium for exchange, for all entitled to it's use would know where to get it, and when they went for it they would no longer be sent to "straw-men" in the basement.

8" — Titles would no longer be examined an hundred times over, with full charges therefor on each occasion as the private perquisites or remuneration of men retained to keep the money-lenders on the safe side of the "law."

9" — Gambling on the Stock and Produce Exchanges would not be stopped, but it would be more difficult to wipe the other fellow out as money could not be cornered and rates would never again reach 300 %.

10" — The sane people and the workers of the nation could deposit their moneys with the government, perfectly secure of getting it back the moment they wanted it for their own needs or for conversion into wealth in fixed form.

11" — And finally, no proper demand could be made which could not be met, for we could put billions more into circulation than we have ever yet had, and still the out-go and the come-back could be as easily managed as the Bank of England now manages it's gold — through the interest rate, which the Secretary of the Treasury should be empowered to change at will, without the intervention of a corrupt and unmanageable Congress, after a "recall" string had been tied to his leg to discourage malfeasance in office.

According to the twelfth census, the true value of the real property and improvements in the Continental United States, was, in	
1900	\$52,537,628,164.00
and in 1904.....	62,341,492,134.00
<hr/>	
so we will estimate 1910 at.....	77,000,000,000.00
and take off one-third for improvements	25,666,666,666.00
<hr/>	
	51,333,333,334.00
and another third off this.....	17,111,111,111.00
<hr/>	
to arrive at a conservative estimate of the <i>assessed</i> valuation of the land alone.....	\$34,222,222,223.00
<hr/>	

At 60 % of the assessed valuation of the land.....	\$34,222,222,223.00
as a base for the issue of Land-Notes, there would be available, in kind	20,533,333,334.00
as against the miserably insufficient and dangerous mixture *..	3,419,500,000.00
(less than half of which is gold, remember) with which we are now struggling to effect exchanges, the clearings alone of which amount annually to †....	169,025,172,600.00
(which accounts for the "velocity" being put at 60 †)	
and to protect wealth amounting to §	125,000,000,000.00

Something must be done and that quickly, to improve the situation, for to allow further concentration of control of what little "currency" there is into the hands of a private Trust, and to permit them to continue to milk us through the mere book-keeping device of "credit", is to confirm our bondage.

As things are at present, the Secretary of the Treasury is most carefully restricted to lending the public moneys, without interest, to those who have him appointed, which may account for the way the post has come to be eagerly sought after as a stepping-stone to the high-paid sinecures in the gift of special-privilege.

* Controller of the Currency, Document No. 2589, Dec. /5 /10, p. 62.

† The World Almanac for 1911, p. 258.

‡ "The Independent", N. Yk., Sep. /8 /10, quoting the "Wall Street Journal" and Professor Jevons.

§ The World Almanac for 1911, p. 251.

With Finance the Secretary has, at present, no more to do than the clerk in a country store, the very word having come to suggest paper companies and unjust (the word "illegal" does not fit) combinations of all kinds.

We have also a Department of Commerce and Labor, the statistical branches of which may, in time, be made very valuable, but the Science of Statistics, like other sciences, is quite useless until applied. If the Secretary would invite his assistants to invite the men who do the work, down to the lowest clerk, to make suggestions as to how their work might be applied and, in special cases, allow freedom in research and confrontation, he might learn what it really is that disturbs commerce and distresses labor;

But it is very doubtful whether the Secretary has the power, even had he the desire, to do so. The chances are he is put where he is to discourage research, or at least to hold it within limits.

* * * * *

Hamilton remarked to Jefferson that the people could be governed only by force or interest, which was undoubtedly quite true at the time.

The question is, are the people sufficiently advanced, mentally, today, to take their government out of the hands of the Interests, and are they capable of using force judiciously, through the ballot-box, to govern themselves ?

Voltaire, Hamilton, Carlyle and Ruskin lived in other times, and the great body of men of whom they spoke as not being competent to govern themselves, were most certainly incompetent so to do, but this was because the Church, pagan and christian, throughout the ages, had purposely kept them mental-dwarfs so that the class might fatten off the mass.

But today, the Church, though parasitic still, is senile and has lost it's teeth — It begs where formerly it despoiled and it's slaves are breaking their mental fetters, but hankering after the flesh-pots still, it yet clings to the skirts of the "upper classes."

I do not expect to see self-government come in my time — But it *is* coming — We will have it when we are fit for it.

Boston thinks a good deal of itself, yet Garrison was dragged through it's streets with a rope round his neck and Phillips cast off by his family as an execrated social outcast, because they dared raise their voices against property in human flesh. Were the people of Boston fit, at that time, to govern anybody ?

Is that branch of the great labor party which continues to deal in murder and sudden death, fit to govern anybody ?

The President of the Colonial Dames of Colorado very lately remarked* that many of the women of her State had proven unfit to exercise the franchise

*"Ladies' Home Journal", Jan'y / 1'' / 11.

granted them, and that scores who had worked for the Republican Party one year had worked for the Democrats the next and had told her frankly that "*the Democrats gave them more money.*"

If woman, on whom the moral tone of the race depends, sells her birthright for a mess of pottage, what can be expected of her sons !

But when the point of view of these mentally deficient persons changes; when they realize that no one can afford to buy their votes unless he gets something in return; when they realize that they would not trouble to buy the votes if they could only get back what they paid for them;

When they realize that for every couple of dollars or so that pass into their pockets on these occasions, the people who are responsible for and hire those professionals who do the passing, intend to and always have gotten an hundredfold back;

And when it finally begins to penetrate into their benighted understandings that this great profit, this hundred for one, does not come out of the pocket of "the other fellow", but that the power to tax thus periodically purchased takes every dollar of it out of their very own pockets, they will suddenly awaken to the fact that they are not the wise ones but the fools.

The mentality of our people is a bit slow, but there are great hopes for its ultimate development. Self-interest will strike them first — Righteousness will come later.

The recent and continued successful attempts of the progressives of all parties to change the form of government by introducing the initiative, the referendum and the recall and the scheme to govern cities by commission, shows that some of the people are awakening to a desire to govern themselves, and where they have succeeded they are starting well, for they are centralizing or fixing the responsibility so that they may hold their servants to account, a thing heretofore absolutely impossible.

And when their time comes to select the national executive, it is to be hoped they will add virility, mental-potentiality and singleness of purpose to the necessary qualifications of the individual who shall hereafter occupy this great post, and take away the second term from before his eyes so that he may eschew politics and not be tempted to dishonor.

Any man who believes in God, and feels his God in himself, must believe in the God in his fellow-man, and however he himself may fall and fall again, must hold to that faith in the people as a whole which was held by Abraham Lincoln and other servants of God.

And this is the base for my belief that the people will soon be able to govern — not only others, but themselves.

But the degenerates will last while the world endures for God himself has told us that all shall not be received.

Well !, the Democrats, thanks to the plutocrats, are in. Whether they will “stay bought” or heed the “handwriting on the wall” remains to be seen.

Since writing the above I see that the author or sponsor of “the best tariff bill we ever had”, in his desire to further assist the public, this time in the better handling of their money, has abandoned the name “Central Bank” for the measure which he is pushing so actively.* But a lien by any other name will hold as fast — A lien’s a lien for a’ that.

* For account of a well-known gentleman, who seems to control the Associated Press as easily as he is beginning to control pretty much everything else. With whose money does he do this, gentlemen—his own or your’s? Why is this gentleman apologizing through every Press in the land before his actions have even been impugned? It reminds one of the enormous sums squandered by the old Canamá Canal Company on the Press of France.

EPILOGUE.

Upper-Class man by birth and preference;
 Union-Republican (son of a Northern Officer) by descent;
 Land-Lord through marriage; Gold miner by mistake;
 Debtor by necessity; And respecter of the honest beliefs of *all* men; I, Henry Clifford Stuart, iconoclast, write this article as a sacrifice to the cause of Truth and Justice;—

God have mercy on me, a Fool.

“Lives of great men all remind us
 We can make our lives sublime,
 And departing, leave behind us,
 Foot-prints on the sands of time.”

—*Longfellow.*

“And one of the sublimest things in the world is plain Truth.”

—*Bulwer.*

But ;—

“Truth will ever be unpalatable to those who are determined not to relinquish error.”—*E. W. Montagu.*



But have renounced the hidden things of dishonesty, not walking in craftiness nor handling the word of God deceitfully; but by manifestation of the truth, commending ourselves to every man's conscience in the sight of God.

—II Corinthians, IV, 2.

For we wrestle not against flesh and blood, but against principalities, against powers, against the rulers of the darkness of this world, against spiritual wickedness in high places.

—*Ephesians* VI : 12.

Note.—If I had not been discouraged from attending both Sunday school and church by a wise father who had himself been sickened by a lot of bigots and who refused to allow my mind to be stunted, I might not think as much of the Bible as I do. It has no monopoly of the Truth by any means, for Truth may be found everywhere by those who seek it, but I prefer it because it is the book of my people.

H. C. S.

THIS BOOK IS DUE ON THE LAST DATE
STAMPED BELOW

AN INITIAL FINE OF 25 CENTS
WILL BE ASSESSED FOR FAILURE TO RETURN
THIS BOOK ON THE DATE DUE. THE PENALTY
WILL INCREASE TO 50 CENTS ON THE FOURTH
DAY AND TO \$1.00 ON THE SEVENTH DAY
OVERDUE.

APR 15 1933

n.

zs II : 15.

LD 21-50m-1,'33

211542

HQ 538

, 50

Stewart

